



Follow the Data -- and Follow the Money: How to Save State Taxpayers \$21.5M a Year

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Here's a question. Say you are the facilities manager for a government building. How do you keep track of the operating status of all the equipment and infrastructure within the building? Would you know if a chiller was not operating at peak efficiency? Now, hold that thought...

Wind the calendar back to 2008. Recognizing a way to cut costs, save energy and help the environment all at the same time, the Maryland General Assembly passed Governor Martin O'Malley's legislation called the EmPOWER Maryland Energy Efficiency Act. The goal? To cut electricity consumption and demand by 15% by 2015. I had the pleasure of recently speaking with Lauren Buckler, Energy & Engineering Director for the Maryland Department of General Services (DGS). The story she related to me started much the same way most stories of new and innovative ideas start, "We didn't have a baseline to start with and had to start from scratch." Faced with collecting information from 58 separate state agencies with a combined total of 120 accounts payable departments, she and her team got started. Not only did her team collect electric bills, they also pulled in natural gas, water and propane bills as well. After a great deal of heavy lifting, by 2011, DGS Secretary Alvin Collins and the energy team had finally coaxed enough participation from the agencies to create a baseline of energy consumption.

Ah, data! Now they could get down to the business of analyzing the data and seeking out ways to achieve the targeted savings goal, right? Wrong. Let's face it, for all the people working in the agencies, remembering to report energy usage on a regular basis was not exactly a high priority. Now, here's where the story gets really interesting, where it becomes about the good government does with data.

Rather than take a punitive approach, the smart team at DGS created an annual competition in 2011 and called it the 16 Agency Energy Competition, and in 2014 expanded it to include an awards ceremony, the Maryland Energy Cup. This award recognizes the agencies who deliver ultimate performance across a number of categories. As Lauren describes it, "We decided the best way to hold the agencies accountable to participate in this program was to measure and put them into friendly competition with one another. We have taken a carrot and stick approach, with the

carrot being offered publicly and the stick being gently administered in private in the form of offering assistance." And talk about a carrot, just a few weeks ago the 2013 winners were presented their awards publicly with Governor O'Malley in attendance. Not a bad way to get people to participate if I do say so myself.

Who do you think the winners are? Well, if you are interested in who received awards, you can trot right over to the <u>DGS Press release</u>. However, I'll submit to you, the REAL winners in this competition are the people of the State of Maryland. According to the <u>DGS Energy Management website</u> the state has funded measure that will save the tax payers \$21.5M annually, equating to \$310M over time! And what created this tremendous savings? You guessed it. Data. Ah, the good being done by government with data. What a shining example.

Oh, btw, back to that chiller. Access to data has a way of offering insights never before possible. Because DGS has been tracking energy consumption for multiple years now, analytics can readily identify outlier situations. In this case, the analytics noted a significant increase of energy consumption in a single building year over year that when previous buried in the summary of many building went unnoticed. The culprit? You guessed it. A faulty chiller.

Yet another win for the state!